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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

December 21, 2009

Certified Return Receipt  
7003 2260 0002 0247 8911

David Kingston  
3212 South State Street  
Salt Lake City, UT 84115

Subject: Deficient Reclamation Surety, Bill Stoddard, Co-Op Placer Project, S/015/0052, Emery County, Utah

Dear Mr. Kingston:

The Division of Oil, Gas and Mining has reviewed the reclamation surety for the Co-Op Placer Project. This surety was due for review on November 5, 2009. Your current reclamation surety is \$5400.00, which the Division is holding in the form of cash on deposit through the Utah State Treasurer at Zions Bank. The Division has recalculated the surety based on your permitted area of one acre to be:

\$7400.00 escalated for 3 years (surety amount next reviewed in 2012) OR  
\$7600.00 escalated for 5 years (surety amount next reviewed in 2014)

The Division uses standard per-acre costs to determine surety amounts for small mines. The figures used are shown in the following table:

Project Size (Acres)	Surety 3 & 5 year escalation	Comments
1 or less acres	\$7,400 (3-year escalation) \$7,600 (5-year escalation)	Minimum amount required
Additional acres up to 5 acres	\$4,300/ acre (3-year escalation) \$4,400/acre (5-year escalation)	Partial acreages rounded up (e.g., 1.2 acres = 2 acres)
Cumulative Amount for 5-acres	(i.e. Maximum of 5 acres = \$7,400 +\$17,200 = <b>\$24,600</b> ) (3-year escalation) (i.e. Maximum of 5 acres = \$7,600 +\$17,600 = <b>\$25,200</b> ) (5-year escalation)	\$600.00 difference between 3 and 5 year escalation amount for 5-acres of disturbance.

David Kingston  
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Based on the information in the NOI, the Division has determined that you must post additional surety in the amount of:

\$2000.00 for 3-year escalation OR  
\$2200.00 for 5-year escalation

Please submit the additional surety by February 15, 2010. Please contact surety coordinator, Penny Berry, 801-538-5291, for instructions on how to submit this increased surety. She can be reached at 801-538-5291 or by e mail at [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov).

Alternatively, you may reclaim the site. If you decide to reclaim, please notify the Division and submit a reclamation schedule no later than February 15, 2010.

Questions or concerns regarding this letter can be directed to me at 801-538-5261 or Wayne Western at 801-538-5263. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Baker'.

Paul Baker  
Minerals Program Manager

PBB:jrp

cc: [christopher\\_conrad@blm.gov](mailto:christopher_conrad@blm.gov)

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